



President Xi Jinping gave a keynote speech at the 20th anniversary of Hong Kong's return to the motherland and the inauguration of the fifth-term government of Hong Kong Special Administrative Region of China on July 1

The tale of a city

Since it returned to the motherland 20 years ago, Hong Kong has continued to develop itself as a modern metropolis

By Zan Jifang

It was a historic scene at the Hong Kong Convention and Exhibition Center on July 1 when Hong Kong, a fishing village-turned metropolis, embarked on a new journey by welcoming its first female chief executive.

Lam Cheng Yuet-ngor, holding her right hand up solemnly, dressed in a light pink silk *qipao*—a traditional Chinese dress—with a white Chinese-style embroidered long coat, was sworn in as the fifth-term Chief Executive of Hong Kong Special Administrative Region (SAR) of China by President Xi Jinping.

A big day

Besides Lam, the principal officials of the fifth-term Hong Kong SAR Government also took their oaths of office before Xi. After that, members of the Executive Council were sworn in by Lam.

The grand ceremony started with the sonorous sound of the Chinese national anthem sung by all those present, including members of a central government delegation and representatives from all walks of Hong Kong society. It was also a celebration for the 20th anniversary of Hong Kong's return to the motherland.

The venue was the same place where the city was handed over by Britain to China on July 1, 1997, and the Hong Kong SAR Government officially established. The occasion drew people's minds back to the historic moment 20 years ago.

Xi gave a speech at the ceremony, recalling the history of Hong Kong, from falling to British colonial rule in the late Qing Dynasty (1644-1911) to returning to China more than 150 years later.

Xi said that in the past two decades, the principle of "one country, two systems" had achieved great success in Hong Kong and it has proven to be the best solution to the historical question of Hong Kong and the best institutional arrangement to ensure Hong Kong's long-term prosperity and stability after its return.

"[The principle] has proven to be a workable solution welcomed by the people," he said.

Xi also pointed out that "one country, two systems" is a pioneering initiative that has no precedent to follow.

With regard to some new developments and new issues regarding how to better implement the principle of "one country, two systems," he put forward four proposals: having a correct understanding of the relationship between "one country" and "two systems;" acting in accordance with the Constitution and the Hong Kong SAR Basic Law; focusing on development as the top priority; and maintaining a harmonious and stable social environment.

"Development, an abiding pursuit, is crucial for Hong Kong's survival, and it holds the golden key to resolving various issues in Hong Kong," he said.

Xi emphasized the importance of unity and called on the nation to have confidence in a better future for both the mainland with its socialist system, and Hong Kong, which follows capitalism.

"I firmly believe that with the strong support from the Central Government and the mainland people, the experience of the SAR Government accumulated in the past two decades, and Hong Kong's solid development basis as well as the concerted dedication of the Hong Kong SAR Government and people, the principle of 'one country, two systems' will enjoy greater success and Hong Kong's tomorrow will be even better," Xi said.

Pledging to lead Hong Kong to more achievements in the next five years, Lam said assuming the post of chief executive of Hong Kong SAR is both the greatest honor and the greatest challenge in her public service career.

"I will, as I always have, rise to challenges and firmly take actions in accordance with the law against any acts that will undermine the country's sovereignty, security and development interests, abiding by 'one country, two systems,' in fulfilment of the mandate from the Central Government and our community," she said.

Lam said running for chief executive had given her a good opportunity to understand the concerns at the grassroots and also foster stronger confidence in Hong Kong's prospects. Hong Kong has strong foundations, and outstanding talents, she said.



China resumes the exercise of sovereignty over Hong Kong on July 1, 1997

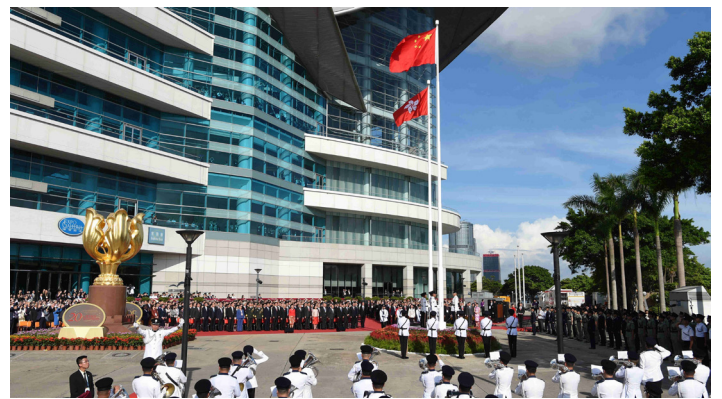
She will focus on strengthening people's trust in the government, Lam said. The government will serve the people in innovative, interactive and collaborative manners. "We will take forward specific measures to provide more opportunities for young people to take part in public policy discussions and implementation. By doing so, we aim not only to enhance their understanding of and trust in the government, but also to nurture future talent and leaders in society and politics."

Lam also said her confidence in the future came from the support of the Central Government and the institutional strengths established by generations of Hong Kong people.

"As we capitalize on our strengths and harness the opportunities presented by our country's development, Hong Kong's future is indeed bright and promising," Lam said.

The celebrations of the 20th anniversary of Hong Kong's return to the motherland started last year, with more than 200 activities in the SAR, on the mainland, and also abroad.

They climaxed on July 1. Early in the morning, attended by more than 2,000 people, a solemn flag-hoisting ceremony was held at the Golden Bauhinia Square outside the Hong Kong Convention and Exhibition Center. At 8 a.m., the national flag of China and the flag of Hong Kong SAR were fluttering against the wind at the top of the flagpoles.



A flag-raising ceremony is held at Golden Bauhinia Square to celebrate the 20th anniversary of Hong Kong's return to the motherland

At the same time, in Victoria Harbor nearby, 100 fishing boats started a parade with the national flag of China and the flag of Hong Kong SAR atop the mast of each boat.

In the evening, a big firework show lit up the sky above the harbor in a grand finale to the festivities of the day.

According to China's tradition, a man enters adulthood at the age of 20. In his speech, Xi called the celebrations on July 1 a coming-of-age rite for Hong Kong SAR. He quoted a line from *The Book of Songs*, an anthology of ancient Chinese poetry, comparing the growth of Hong Kong to lush bamboos and pine trees with strong vitality.

"Twenty years are a good time to review the past and look into the future," Lam said.

In the past two decades, Hong Kong has continued to develop itself as a modern metropolis, marking an important chapter in the history of the city.

"The changes that took place in Hong Kong in the past 20 years were just what the city should have undergone after returning to the motherland and what its people had been anticipating," said Zhang Xiaoming, Director of the Liaison Office of the Central Government in Hong Kong.



Fishing boats hold a parade in the Victoria Harbor on July 1 to celebrate the 20th anniversary of Hong Kong's return to the motherland

A new epoch

China resumed the exercise of sovereignty over Hong Kong on July 1, 1997. On the same day, the Basic Law of Hong Kong SAR came into effect. According to the Basic Law, under the principle of "one country, two systems," the socialist system and policies will not be practiced in Hong Kong, and the SAR enjoys a high degree of autonomy. It means Hong Kong people have finally become the masters of their own destiny.

For Tung Chee-hwa, first Chief Executive of Hong Kong SAR, who was in power from 1997 to 2005, the historic moment when the sovereignty of Hong Kong was transferred from Britain to China held much more than excitement. What he felt more was the weight of responsibility on his shoulders.

"It was the most unforgettable moment in my life, a moment I had long been anticipating," Tung said. "Watching the fall of the flag of Britain and the rise of the national flag of China, as a 60-year-old, I was deeply, deeply moved."

From then on, the affairs of Hong Kong have been handled by Hong Kong people themselves, and the rule of law, one of Hong Kong's core values, has been safeguarded, Tung said.

The other values that Hong Kong people treasure most, such as freedom, judicial independence and clean governance, have also been consolidated after the return.

In the report on global competitiveness for 2016-17 published by the World Economic Forum, Hong Kong ranks third globally and first in Asia, in terms of judicial independence.

Hong Kong has also ranked among the top globally in the indexes of the reports issued by the World Bank since 2003. In 2015, World Bank statistics showed Hong Kong's ranking for the rule of law rising to 11th place, from under 60th in 1996.

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Lam Cheng Yuet-ngor is sworn in as the fifth-term chief executive of Hong Kong Special Administrative Region of China by President Xi Jinping in Hong Kong on July 1

Yuen Kwok-keung, Secretary for Justice of the fifth-term Hong Kong SAR Government, who held the same position in the previous government as well, said the statistics from international institutions were objective evaluations of the legal environment in Hong Kong.

"After the return [to the motherland], with the Basic Law as the foundation, the common law system, the rule of law and judicial independence in Hong Kong have all been better maintained," Yuen said.

He also said that many foreigners have confidence in Hong Kong's rule-of-law environment. "Many Western people I met on various occasions told me that when they want to invest in Asia, the first place coming into their minds is Hong Kong. One of the reasons is our legal system," he remarked.

The Basic Law, Yuen added, enables Hong Kong SAR to invite famous judges from other countries to work at the Court of Final Appeal. In the past 20 years, more than 20 judges from different countries came to work in Hong Kong.

"They are all prestigious judges in their own countries," Yuen said. "If they didn't think the rule-of-law environment in Hong Kong was good, judicial independence in Hong Kong was good, and the legal system was good, they would not have come."

Before Hong Kong's return to China, the governor of Hong Kong was appointed by the Queen of Britain and major government officials were dispatched by the British Government. But now the chief executive is elected and all the officials of the SAR Government are Hong Kong people, said Lee Wai-king, a member of the Hong Kong SAR Legislative Council (LegCo) and Chairperson of the Democratic Alliance for the Betterment and Progress of Hong Kong, the largest political party that has the most seats in the LegCo.

"This is the most important change after the return," said Lee.

"After the return, on the economic or social development front, the voices of all social groups can be heard, both the pros and cons," said Leung Kwan-yuen, President of the LegCo.

Leung said the degree of democracy in the election of the LegCo's members has been increasing. Especially when Hong Kong encountered difficulties or crises, the LegCo facilitated the passing of many bills initiated by the SAR Government, helping many infrastructure and social development programs go smoothly.

Hong Kong has been more active in the international arena as well, said Zhang. Currently, Hong Kong participates in 41 inter-governmental international organizations and 37 non-governmental international organizations. A total of 157 countries or regions offer Hong Kong passport holders visa-free entry or visa on arrival.



Fireworks bloomed over Victoria Harbor on July 1 to celebrate the 20th anniversary of Hong Kong's return to the motherland

A society of diversity

Because of its excellent legal environment and social stability, Hong Kong is seen as one of the safest cities in the world. It is also home to a unique community of people who celebrate excellence and quality living.

More and more foreigners want to settle down in Hong Kong. For example, in the past 10 years, the number of French people who took up residence in Hong Kong doubled. With the total French population in Hong Kong exceeding 25,000, Hong Kong today has the largest French community in Asia, Zhang said.

"French people pursue a romantic life. The fact that many of them prefer to live in Hong Kong shows the appeal of the city," Zhang said.

Hong Kong is also one of the most popular tourist destinations in Asia where visitors have a variety of choices. They can go shopping in bustling downtown areas, spend a leisurely afternoon in the Central District old town, immerse themselves in culture and history at the well preserved historical sites, or simply stroll in the picturesque suburban parks.

In 2016, Hong Kong was included in the Top 10 tourist destinations in Asia named by the U.S.-based TripAdvisor, one of the leading travel websites in the world. In 1997, tourists to Hong Kong numbered 11.27 million, while in 2016, it rose to 56 million.

Hong Kong was also named the best city for business affairs globally by *Business Traveler* magazine in 2015, and the best venue for business events in a survey by CEI Asia, a conference, event and incentive travel industry news magazine, in the same year.

The integration of different cultures and interconnection between different peoples have made Hong Kong a pluralistic and tolerant society. The city has 1.27 million volunteers, extending care to the underrepresented and the minority communities.

Working as a rights and welfare officer at the Kowloon West Service Center of New Home Association (NHA), an NGO helping new arrivals from the mainland and the ethnic minorities in Hong Kong, Leung Ping-kin, a registered social worker, has been doing volunteer work for six years.

According to Leung, most of the staff at the NHA are volunteers. Their services include organizing consultations and employment training for adults and various classes for children.

"Every year, Hong Kong receives around 50,000 new arrivals. There are some 27,000 new arrivals in the area served by our center. We help them to adapt faster," he said.

The NHA has set up volunteer groups in different districts to organize new arrivals and help them realize their potential to serve the community.

Zhong Tian, who comes from Guangdong Province, is a newcomer in Hong Kong's volunteer army. When she studied in City University of Hong Kong years ago, she took part in many activities hosted by the NHA. After graduation in 2012, she decided to work in Hong Kong and became a volunteer in the NHA.

"Hong Kong is a city of immigrants. In the 1940s, the population was only 600,000, but now it is more than 7 million," said Hui Wing-mau, Chairman of the NHA Board of Presidents. "The city has accepted generations of new immigrants. It is very difficult for newcomers to

integrate. However, if they are helped at an early stage, even before their arrival, it will be easier for them. This is why we established this association."

According to Hui, the NHA, founded in 2010, now has 130,000 members. Around 2,000 volunteers work at the association.

Zhong Ziqi, a new arrival from Guangdong who got a Hong Kong permanent identity card in 2015, is an NHA member and has benefited a lot from its services.

"Before I got the permanent resident status, I could not participate in many activities. But in the NHA, there is no such restriction. I joined the association in 2012 as a volunteer," Zhong said.

Her daughter has been learning dancing at the association for years. "She dances very well," Zhong said proudly.

While her children attend classes, Zhong also takes courses there in parenting, learning how to better communicate with children.

"As new arrivals, we may encounter difficulties in the process of integrating into society. The city is new to us and we need to know many things. The association is like our home, making us feel comfortable in the early days," she said.



Local residents celebrate the 20th anniversary of Hong Kong's return to the motherland

A hub of creativity

Diverse cultural and social backgrounds with a unique blend of Eastern and Western cultures make Hong Kong an ideal land to cultivate entrepreneurship and creativity. The SAR Government set up Create Hong Kong (CreateHK), an agency under the Commerce and Economic Development Bureau, in June 2009 to spearhead the development of the creative industry in Hong Kong.

"The creative industry is an important element for an international metropolis. We hope to forge Hong Kong into a creative hub," said Wellington Fung, assistant head of CreateHK. "Hong Kong is an open city and its East-meets-West characteristic provides a good platform for different talents to communicate and cooperate."

More than 210,000 people in Hong Kong are now engaged in the creative industry, covering design, fashion, film, television, music, publishing and printing, digital entertainment, advertising, architecture and the performing arts.

The Hong Kong SAR Government has supportive policies to build up Hong Kong into a hub of creative startups, attracting global talents to realize their dreams in Hong Kong.

The PMQ is one of the creative centers in Hong Kong. Located on the historical Hollywood Road in the middle of Hong Kong's famous SoHo lifestyle district, the former Police Married Quarters has been revitalized and transformed into a landmark for the creative industry. Here, visitors can do much more than experiencing the best of Hong Kong's creative community. They can buy original items, meet their designers, and learn the story behind each inspired product.

A non-profit project to nurture Hong Kong designers, the PMQ is now home to more than 100 young create-preneurs. Belinda Chang is one of the young designers stationed there. She and her partner opened a contemporary jewelry studio to produce hand-made items, hoping to develop their own brand. The studio now works with six to seven designers and also trains people interested in jewelry designing.

"Each of the designers in our studio has their own design and collections. We hope our products have a variety of designs and meet the different needs of consumers. But the most important thing is that our designing concept is similar, and that's why we can work together," said Chang, who graduated from the University of Birmingham in Britain seven years ago.

"The SAR Government subsidizes young artists' rents to help them start their businesses," said Wendy Chu, Associate Director of Corporate Communications and Tourism Marketing at PMQ Management Co. Ltd.

"In the past two years, the PMQ Management gave publicity to our studio and organized our participation in some international exhibitions and fairs, helping the world know more about the work of Hong Kong designers," Chang said.

"Rents and labor in Hong Kong are expensive and natural resources are limited, so what we can depend on is our people, or their creativity," said Fung.

Since the 1970s, Fung has been working in the Hong Kong film industry. "All of our films came from numerous ideas and so opening people's mind is crucial," he said. In his opinion, a feature of Hong Kong's culture is its boundless thinking and not being afraid of making mistakes.

He also holds that two major characters of Hong Kong people are their capability to adapt to the environment and their endurance. "Even a granny at home is trying to learn English to better communicate with others," he said.

Just as Fung said, with a strong adaption capability and endurance, no difficulties are insurmountable. It is true for the creative industry, and is also true for entire society. Endowed with such spirit, Hong Kong has reasons to be confident of more achievements in the future, and the legend of the Pearl of the Orient will go on.



Scan here to watch video

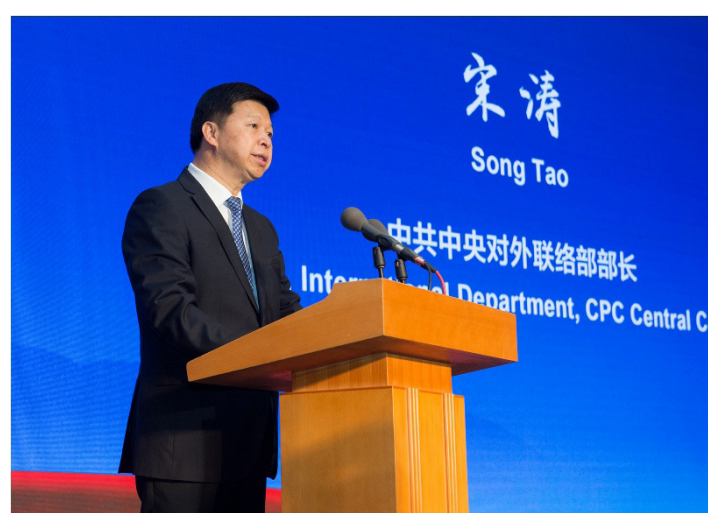


Song Tao (second right), Minister of the International Department of the CPC Central Committee (IDCPC) and Luo Huining (right), Secretary of the CPC Shanxi Provincial Committee, sit for a Q&A session during the seminar, hosted by Guo Yezhou, Vice Minister of IDCPC

Striving for excellence

Shanxi showcases CPC's efforts to build a disciplined Party

By Ma Xiaowen



Song Tao, Minister of IDCPC



Luo Huining, Secretary of the CPC Shanxi Provincial Committee

The third thematic seminar of the Stories of the Communist Party of China (CPC) series focusing on party-building, with "Building a Well-disciplined Party in All Aspects: The Practice of Shanxi" as its theme, was held in Beijing on June 30.

Song Tao, Minister of the International Department of the CPC Central Committee (IDCPC), Luo Huining, Secretary of the CPC Shanxi Provincial Committee, and representatives from related central government departments attended the seminar hosted by Guo Yezhou, Vice Minister of IDCPC.

The attendees also included political party leaders, ambassadors and representatives from various countries, representatives from related institutions, and a number of China Study researchers. About 400 guests participated in this event.

The seminar had a thematic briefing and two sub-seminars. The two sub-seminars presented selection of officials and the campaign known as Shanxi's Ten Thousand Party Cadres on Assistance to Enterprises.

The first seminar in May had focused on poverty alleviation. The second in June was on supply-side reform.

Common concern

The governance of the Party is a hot topic globally. In his inaugural speech, Song noted that building a well-disciplined Party in all aspects is an essential part of President Xi Jinping's new governance ideas and strategies, as well as a common concern of parties around the world.

The CPC has made achievements in strengthening Party discipline. In December 2011, in a news briefing at the closure of the 18th CPC National Congress, President Xi said the CPC was confronted with certain problems among some of its cadres, namely "corruption, being alienated from the people, formalism, and bureaucratism."

In January 2017, he said that with joint efforts of members, the CPC had started an overwhelming anti-corruption trend and accumulated positive energy in its course.

Song said the latest progress was Xi's announcement on his trip to Shanxi Province that Party committees at all levels should aim at transforming their achievements in strengthening Party discipline into a consistent momentum for reform and development.

How did the CPC make such remarkable progress in only four years? This is a frequently asked question by political party leaders worldwide. According to Song, to tackle the problems, the CPC took measures to improve intra-party laws and regulations, implementing a sound supervision and balance system, and building an effective error-correction mechanism.

It also undertook a mass-line educational practice, pushing forward the "three stricts and three earnest" education, and conducted activities to enable Party members to gain a good understanding of the Party Constitution, regulations, and Xi Jinping's major policy addresses, and meet Party standards. All this has created an environment of maintaining political honesty and integrity and striving for excellence.

The governance of political parties, especially anti-corruption, is a shared challenge and common concern for parties worldwide. Song shared three aspects of the CPC's practices after the 18th National Congress. First, the ruling party shouldered major responsibility in anti-corruption. Second, there was no common route to enforce anti-corruption. Nations should explore their own ways. Third, anti-corruption efforts called for international cooperation. The CPC is willing to share its experience in anti-corruption and make its contribution to the world.

Luo said the CPC's challenges and countermeasures were reflected by Shanxi's practices to a large extent. The province had been suffering from a problematic political ecology as well as a painful economy.

However, under the CPC Central Committee's leadership, the CPC Shanxi Provincial Committee improved its political ecology and succeeded in achieving steadfast economic development after its restructuring in September 2014.

Shanxi adopted rigorous rules and transparent systems to regulate local governance and Party organizations in response to the country's stringent anti-corruption campaign.

Besides building a healthy political ecology, Shanxi has also deepened its supply-side structural reform to maintain economic growth, Luo said.

"We have conducted nine specialized programs to speed up facilitation of investment and promote contract execution; for contracted projects outside the government-approved investment projects catalogue, we try out an enterprise responsibility system to reduce approval procedures," Luo said. "With these initiatives, we are building a good environment for investors and businessmen."

Alejandra Reynoso Sánchez, Secretary of the Board of the Chamber of Deputies of Mexico, said fighting against corruption and winning people's heart is the mission of all parties and governments. "A comprehensive anti-corruption [campaign] is needed because a regime or a party can attain legitimacy only from discipline, honesty and keeping in close touch with the masses."

Daniel A. Bell, Dean of the School of Political Science and Public Administration of Shandong University, and author of *The China Model: Political Meritocracy and the Limits of Democracy*, had thought China's anti-corruption campaign could only make corruption



Alejandra Reynoso Sánchez, Secretary of the Board of the Chamber of Deputies of Mexico

become less but officials would be reluctant to make bold changes. "But my trip to Shanxi amazed me with so many capable officials," he said.

Bell called for Shanxi to protect its ancient architecture to preserve its distinctive cultural legacy. More women officials and better treatment of civil servants would also help in strengthening Party discipline, he added.

"The development of society relies on the good operation of the ruling party. The CPC's actions in building a well-disciplined Party are beneficial to China's further development. It's a practice we, the Mexico Government, should learn from," Enrique Escorza, Minister at the Mexican Embassy in Beijing, told *Beijing Review* on the sidelines of the seminar.



Daniel A. Bell, Canadian Senior Chinese Specialist, Dean of the School of Political Science and Public Administration of Shandong University

Selection of officials

At a sub-seminar on June 30, the CPC Shanxi Provincial Committee showcased their procedure for selecting and appointing government officials while committing to a clean government.

Sun Dajun, Executive Vice Chairman of the Organization Department of the CPC Shanxi Provincial Committee, said there are 10 steps. They include qualification checking, deliberation, inspection and public polls when deciding on promotions.

Candidates competing for higher posts should reveal their true financial conditions, including their assets, equities and other properties. Their official status is under keen public oversight, especially from areas where they have served.

"What we need are committed, clean and responsible officials," Sun said, adding that to qualify for promotion, government officials should have sufficient experience working in different positions. "The essential value of our democratic system is generally the same as the rest of the world's, even though we take different paths. I don't think all countries must have the democracy that comes only in the form of direct elections."

He said the organization department needs to heed public views to select the most qualified official. This costs substantially less than direct elections.

Hu Yuting, Secretary of the CPC Jinzhong Municipal Committee, said the selection is transparent as the qualifications of the candidates, including their education backgrounds, work experience, accreditations and health conditions, are all made public.

Hu said Jinzhong has adopted a mission-oriented principle. All selected cadres must be open to supervision. In 2016, the CPC Jinzhong Municipal Committee selected six county mayors out of 118 candidates.

Luo said Shanxi's practice is proof that the CPC Central Committee's decision to build a well-disciplined Party in all aspects is correct. Through self-purification and self-improvement, a political party can maintain its vigor and vitality.

Good political ecology boosts economy

In the latter half of 2016, a campaign, Ten Thousand Party Cadres on Assistance to Enterprises, was launched in Shanxi. Over 14,000 cadres went to 4,580 enterprises to provide needed services and help address difficulties, according to the other sub-seminar. For example, Liu Yanzhong, Deputy Secretary of the Jinzhong Municipal Government, helped Mingsheng Foundry Co., a private manufacturer in Taiming County of Jinzhong.

Naturally, there were days when understanding and communication were in short supply. Step by step, Liu understood what were the shortcomings of the company run under family management: institutional irregularities and a narrow vision.

"We worked like their employees," Liu said, "and we investigated every office and workshop." Finally, they managed to help the company set standards and build its own brand.

Kabir Hashim, General-Secretary of the United National Party of Sri Lanka, who had just finished an on-the-spot investigation of Shanxi, said the campaign was extremely important and rich in human touch.

"In many countries, people are suffering from poverty and inequality and many of them hold feelings of resentment against political parties," Hashim said. "After my trip to Shanxi, I found that the CPC, with Xi Jinping at its core, has solved such problems through reform."

Citing the example of Taiyuan Steel Corp., Hashim praised the local CPC committee's measures to relocate over 10,000 workers laid off during transformation.

These efforts by the CPC Shanxi Provincial Committee have helped boost local economic growth. Luo told the audience that in the first quarter of 2017, Shanxi's GDP rose by 6.1 percent, a 3.1-percentage point rise from last year. Public budget revenue increased by 12.6 percent and added value of strategic emerging industries grew 14.9 percent over the same period last year.

Shanxi is transforming from a fossil energy-centered economy to a new economic model increasingly driven by innovation and conservation, with the growth of non-coal sectors reaching 9.8 percent in the first five months of 2017.

Brain drain has been effectively contained. By June this year, Shanxi had attracted 101 overseas high-level talents and more investors are coming to Shanxi, hoping for a good return.



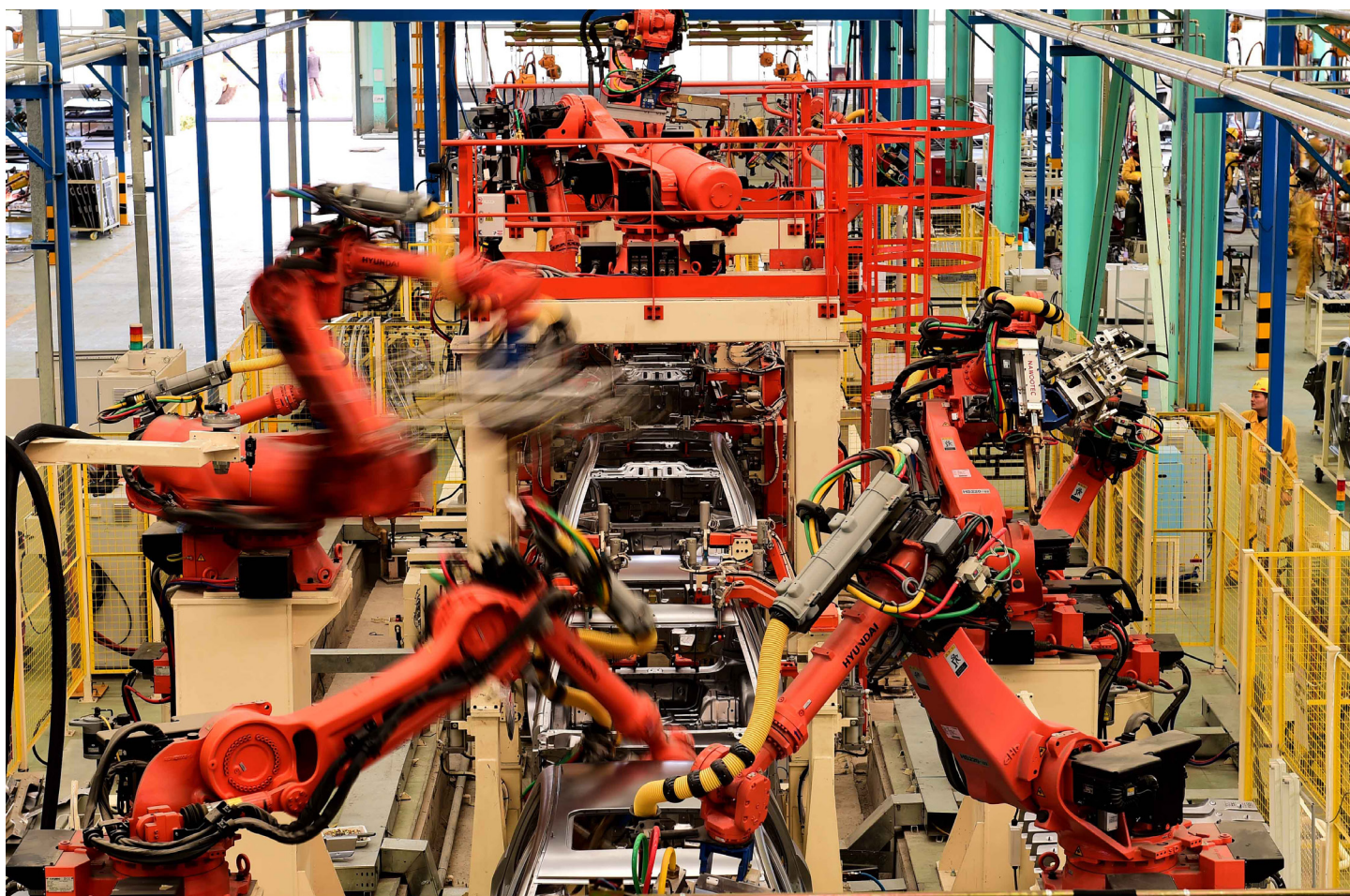
Foreign guests participate in sessions and activities during the seminar



Ready for robots?

Despite rapid growth, the industrial robot market needs to hone its technology

By Wang Jun



Industrial robots weld auto parts at a workshop for new energy vehicles in Weihai City, Shandong Province, on November 14, 2015

In the first five months this year, China's output of industrial robots grew by 50.4 percent over a year ago, according to the latest figures from the National Bureau of Statistics (NBS).

As China's demographic dividend—a rapid increase in the proportion of working-age population—vanishes and industrial upgrading advances, labor-intensive human jobs are being taken over by robots in the Yangtze River Delta and the Pearl River Delta. Given the fact that China's robot density is far below the world average, this is creating unprecedented opportunities for the country's robot industry.

Furious growth

From 2010 to 2016, China's industrial robot market soared five-fold and since 2013, China has become the world's largest robot market. Its market share has risen from one fifth of the world's total in 2013 to one third in 2016.

According to a report by the International Federation of Robotics (IFR), 90,000 industrial robots were sold in China in 2016, surging by 31 percent, while the world average was 14 percent.

In May 2017 alone, 10,057 industrial robots were produced in China, up by 47.3 percent year on year, the NBS said.

Behind the growth speed is the upsurge in robot job takeovers. Xu Xiaolan, Secretary General of the World Robot Conference, told *21st Century Business Herald* that the vanishing demographic dividend and rising labor costs are forcing manufacturing industries to replace human labor with robots.

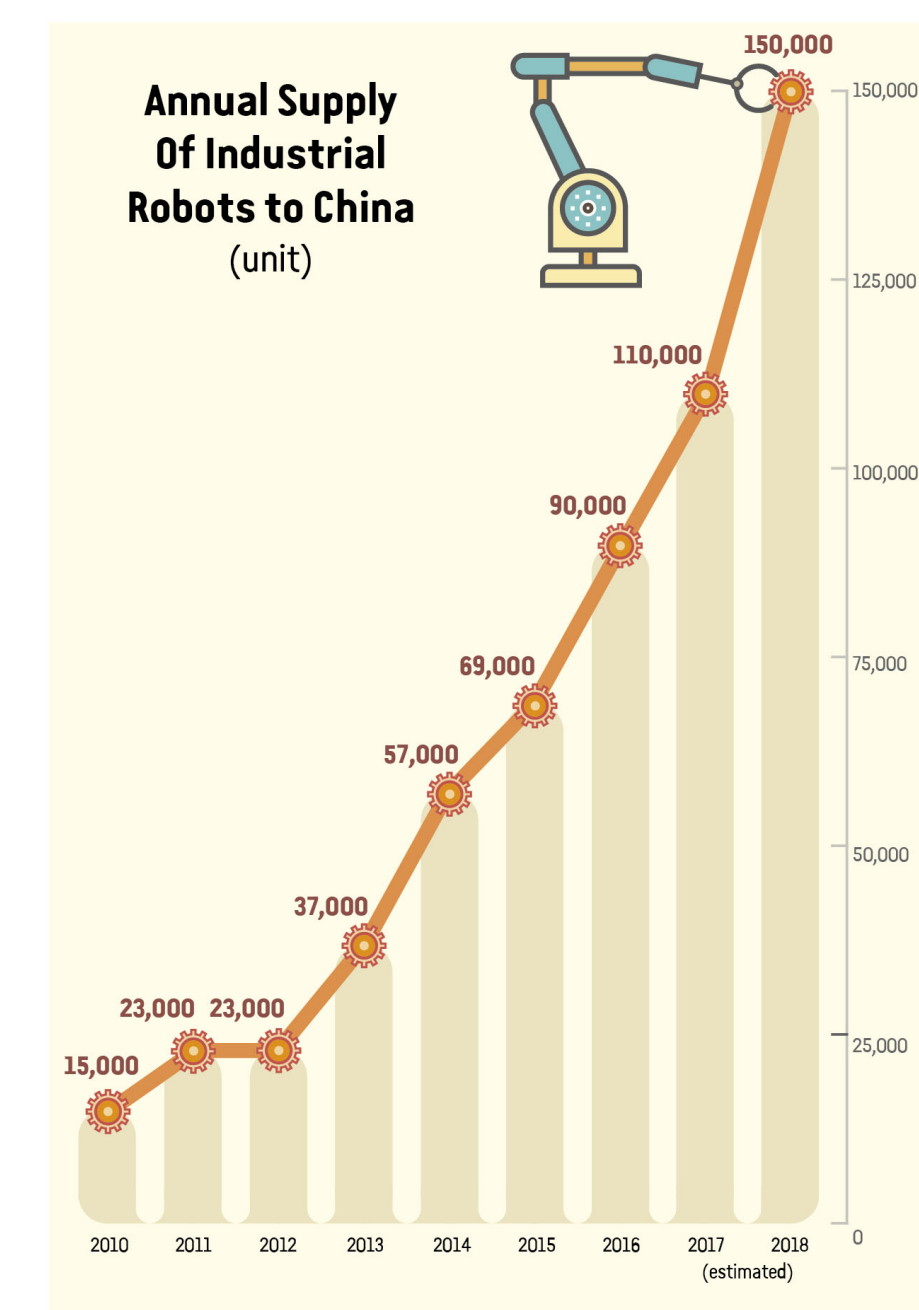
"Also, with the manufacturing industry upgrading and production becoming increasingly sophisticated, previous manual operations are unsuitable for the new production patterns. Besides, manufacturing enterprises are unable to recruit an adequate number of workers. So, an increasing number of industrial jobs have to be done by robots," said Xu.

Yao Zhiju, Deputy Secretary General of the China Robot Industry Alliance, told *21st Century Business Herald* that at present, most robot job takeovers are occurring in the Pearl River Delta, represented by Guangzhou and Foshan in Guangdong Province, and the Yangtze River Delta, represented by Shanghai and Jiangsu Province. Robot industry leaders have a presence in both regions.

According to Yao, the Bohai Sea Economic Rim, especially Liaoning Province and Tangshan in Hebei Province, as well as inland regions such as Chongqing Municipality, also have great potential for the development of the industrial robot industry.

"Science and technology and other capital-intensive industries have the most demand for robot workers," Qu Daokui, Director General of the China Robot Industry Alliance and President of Shenyang-based Siasun Robot and Automation Co. Ltd., told *21st Century Business Herald*.

Still, China's robot density, measured by the number of robots per 10,000 manufacturing workers, is far below the world average. According to the IFR, while the global robot density average reached 66 in 2015, with the density in most industrialized countries



(Source: International Federation of Robotics; designed by Pamela Tobey)

surpassing 200, in China the figure was only 36, leaving great scope for the country's industrial robot market.

The takeover scenario

By 2020, China will triple its annual output of self-developed industrial robots to 100,000, according to a development plan for the robot industry (2016-20) jointly issued by the Ministry of Industry and Information Technology, the National Development and Reform Commission, and the Ministry of Finance in 2016.

Industrial robot sales in China will total 150,000 in 2018, and China will have more than 800,000 industrial robots by 2020, elevating its robot density to 150, according to an IFR forecast.

Is China's industrial robot industry ready for

a massive robot job takeover? In Xu's view, the Chinese robot industry is not yet mature, being fragile in independent innovation and manufacturing of core components. It has to import a large amount of core components and even complete sets of robots, which is unfavorable for domestic robot producers.

According to Xu, two major components of industrial robots, speed reducers and servo motors, are monopolized by foreign firms. Therefore, Chinese robot manufacturers have little say in price bargaining with foreign suppliers.

Xu also doesn't agree that robot job takeovers will increase unemployment since they are the result of the dwindling labor force. Chinese manufacturers urgently need to train new technical workers to boost industrial upgrading.

According to Qu, China-produced robots are not for the high-end market. While foreign firms hold an 80-90 percent market share in robots capable of sophisticated maneuvers, China-made robots are mainly used for simple operations such as carrying, arranging and material handling.

Excessive low-end production could also be a problem for China's robot industry.

Li Dong, Director of the Industrial Equipment Department at the Ministry of Industry and Information Technology, said there are now more than 800 robot manufacturers in China, of which 200 produce the main bodies while the others are mainly engaged in assembly or material processing.

"At the low end of the industrial chain, Chinese robot producers have low industrial concentration and are small in size. China has over 40 industrial parks for manufacturing robots, intensifying the risk of excessive low-end production," Li said at a press briefing held in June 2016.

"Instead of job takeovers, we should be more concerned about whether China's robot industry, given the huge domestic market, is capable of independent innovation and seizing the market," Xu said.



Industrial robots on display at the China (Guangdong) International Internet Plus Expo in Foshan City, Guangdong Province, on September 10, 2015

A paragon in local governance

Local official is honored for his exemplary service

By Ma Xiaowen



Liao Junbo (right), then Secretary of CPC Zhenghe County Committee, visited women entrepreneurs in Shixun Village on March 20, 2015

The Communist Party of China (CPC) Central Committee on June 6 decided to posthumously honor Liao Junbo as an “outstanding CPC member.”

Liao, who died at the age of 48 in a traffic accident on his way to a meeting on March 18, had served for four years as Party Secretary of Zhenghe County, southeast China’s Fujian Province, where he pushed forward economic development and helped more than 30,000 people escape poverty within less than four years.

In his 27-year career, Liao truly cared for the people. Without any grand gesture or grandiose announcement, Liao dedicated himself to carrying out front-line work to improve people’s livelihoods.

In his 25 years as a CPC member, Liao always prioritized the course of the Party and adhered faithfully to requirements of being a CPC member, no matter what position he held. Abiding by the Party’s principles and rules, he was loyal to the CPC in both words and deeds.

A statement by the CPC central leadership noted that Liao, Vice Mayor of Fujian’s Nanping City at the time of his demise, had worked wholeheartedly to lead local officials and people in poverty relief work, showing his loyalty to the Party and selfless devotion to duty.

Chinese President Xi Jinping, also General Secretary of the CPC Central Committee, praised Liao in an instruction letter on April 14 for his excellent service, calling on Party members and officials to learn from him.

Devotion to duty

Liu Huming, Deputy Director of Nanping Industrial Park Administrative Committee, lived under the same roof and ate at the same table as Liao for more than four years. In his experience, besides a few hours’ sleep each day, Liao was always working. “He worked very hard in his office, at building sites, in his car and even when dining,” Liu recalled. “He could talk on the phone for half an hour during a meal. Sometimes I woke up at night and was amazed to find him writing in his notebook.” Liu’s eyes watered as he recalled Liao working late into the night. He said it was his most vivid memory of Liao.

Lin Jun was Liao’s driver for 13 years. He remembered Liao saying he wished he could have 48 hours each day because he was so busy. Lin clearly remembers that he drove 360,000 km with Liao during four of Liao’s busiest years and a total of 800,000 km over the course of 13 years. “He was so devoted to his work in every position, and he wanted to build something new,” said Lin.



Liao Junbo (middle), then Secretary of CPC Zhenghe County Committee, was asking farmers about the growing condition of flowers on April 18, 2014 in Tieshan Village

“He could not fall asleep without finishing reading all our reports,” said Hong Shaofeng, director of the administrative committee of Nanping’s Wuyi New District. According to Hong, Liao was always the last one to leave his office. There were times when Liao stayed too late, so he had to call the security staff to unlock the gate for him. Every time he finished a business trip, no matter how late it was, he would visit project sites in Wuyi New District.

Yi Xiong, Chairman of the Board of Nanping Construction Group, keeps a photo of Liao on his cellphone. It was taken at 10 p.m. on March 16, two days before Liao passed away, while he was at a building site in Wuyi New District. Yi said some construction materials were due to be delivered and Liao was concerned about it. He stayed on site until the materials had arrived safely.

According to the *Fujian Daily*, during the last 45 days of his life, Liao spent 22 days attending conferences, and on his latest trip, he spent three days visiting five companies spread across four provinces.

As President Xi said, everybody should roll up their sleeves and accomplish the work to be done, and all Party members and government officials should learn from Liao the practice of

stepping up to the frontline to serve the people.

On April 10, 2017, the Fujian Provincial CPC Committee posthumously awarded Liao the honor of Excellent CPC Member of Fujian and called on local Party members and government officials to learn from him.

Outstanding work ethic

Located in a mountainous area, Zhenghe has comparatively poor infrastructure and therefore lags behind other areas in economic and social development. Even though times in Zhenghe were hard, Liao found fulfillment.

From the moment Liao took up his position in Zhenghe, rather than give orders from a distance, he involved himself deeply in day-to-day local authority operations.

In order to investigate ways of stimulating the local economy, he visited industrial parks across China to conduct research in person.

Zhenghe’s industrial park—covering an area of 3,600 *mu* (2.4 square km)—was established in July 2012, and its first enterprise began operating just six months later.

Liao’s all-out effort bore substantial fruit. According to official statistics, after just two years with Liao at the helm, Zhenghe for the first time ever became one of Fujian’s top 10 counties in economic terms, as fiscal income had increased from 16 million yuan (\$2.34 million) to 49 million yuan (\$7.17) and GDP had doubled.

Liao maintained high standards of honesty and self-discipline. He insisted on “locking power in a cage” and never acted wrongly out of personal considerations. During his four years as Party Secretary of Zhenghe County, no case of misbehavior by any local official or Party member arose.

In June 2015, Liao was honored as an outstanding county-level CPC secretary by the Organization Department of the CPC Central Committee. The title was conferred to 102 people across the nation on June 30, 2015, Xinhua News Agency reported.

Vision and leadership

Liao had a clear vision on poverty-relief work. During his four-year term as Party Secretary of Zhenghe County, some 30,000 local residents escaped poverty, and the proportion of those with an income above the poverty line reached 69 percent.

Liao also insisted on conducting research and investigations focused on the development of tourism as a supporting pillar of the local economy. “Tourism is a long-term project. What we need [to do] now is to lay the foundation,” he said.

Liao adopted a pragmatic approach to



Liao Junbo (middle), then Secretary of CPC Zhenghe County Committee, condoled and talked with people in Songyuan Village on February 1, 2014

improving Zhenghe’s educational services. While he longed to elevate the standard of local education, he understood that Zhenghe needed more time to achieve progress on this front. So, in 2015, he authorized the opening of a private school in order to stimulate local public schools to improve their teaching quality.

The construction of the Quning High-Speed Railway, which passes through Zhenghe, was a historic opportunity. To select the county’s new railway station site, Liao conducted dozens of in-depth on-site investigations. He told fellow colleagues: “We need to spare no efforts for the benefits of our offspring.”

Without Liao, these accomplishments would not have been achieved.

Huang Aihua, the current Party Secretary of Zhenghe County, recalled when Liao left to assume the post of Vice Mayor of Nanping, Liao told him that he felt attached to Zhenghe and he wished the county a better future. In subsequent conversations, Liao also said he missed his days in Zhenghe.

Following Liao’s death in the line of duty, Zhenghe, where he used to be Party Secretary, erected a public memorial bearing the inscription “Love in Zhenghe,” words which Liao had written on his calendar.

POLITICAL DOCUMENT EXCERPTS

Xi Jinping’s Speech on the Belt and Road Initiative—Edited Excerpt

President Xi Jinping delivered a keynote speech at the opening ceremony of the Belt and Road Forum for International Cooperation in Beijing on May 14. The following is an edited excerpt of Xi’s speech:

The spirit of the Silk Road

Over 2,000 years ago, our ancestors, trekking across vast steppes and deserts, opened the transcontinental passage connecting Asia, Europe and Africa, known today as the Silk Road. They navigated rough waters, and created sea routes linking the East with the West, which we now know as the Maritime Silk Road.

Spanning thousands of miles and thousands of years, the ancient Silk Road embodied the spirit of peace and cooperation, openness and inclusiveness, as well as mutual learning and mutual benefit. (Scan the QR code to finish the article)



Major events in June

June 9: [SCO expansion vital for int’l security, common prosperity](#)

Keywords: SCO, international security

With the accession of India and Pakistan at the 17th Shanghai Cooperation Organization (SCO) Summit in Astana on June 9, the SCO covers three-fifths of Eurasia, and has nearly half the world population. Its first-ever membership expansion demonstrated its strategic value in boosting international security and common development.

June 12: [Panama, China establish diplomatic relations](#)

Keywords: China, Panama, diplomatic relations

Panamanian President Juan Carlos Varela announced on June 12 that the Republic of Panama and the People’s Republic of China have established diplomatic relations.

June 17: [China signs film cooperation deals with Belt and Road countries](#)

Keywords: Belt and Road, film cooperation

China signed memorandums of film cooperation and exchange with 13 countries along the Belt and Road, including Egypt, Greece, India, Indonesia, Kazakhstan, the Netherlands and Ukraine at the 20th Shanghai International Film Festival on June 17.

June 21: [China, U.S. kick off inaugural diplomatic, security dialogue](#)

Keywords: China, U.S., dialogue

China and the United States began their first diplomatic and security dialogue at the U.S. State Department in Washington D.C. on June 21.

June 22: [Xi calls for upholding ‘Luliang Spirit’ in poverty relief](#)

Keywords: Xi Jinping, poverty relief

President Xi Jinping said more should be done to end poverty and improve the standard of living in revolutionary base areas. Xi made the remarks during a tour on June 21 of Luliang and Xinzhou, two revolutionary base areas in Shanxi Province.

June 27: [China introduces emergency cybersecurity plan](#)

Keywords: cybersecurity, emergency response

China’s Office of the Central Leading Group for Cyberspace Affairs released an emergency response plan for Internet security incidents on June 27.

June 27: [China adopts intelligence law](#)

Keywords: legislature, NPC, intelligence law

The Standing Committee of the National People’s Congress (NPC), China’s top legislature, on June 27 adopted a law on intelligence to safeguard national security and interests.

Building the Belt and Road: Concept, Practice and China’s Contribution

Chinese President Xi Jinping proposed to build a Silk Road Economic Belt and a 21st-Century Maritime Silk Road in September and October 2013, respectively, which are now referred to as the Belt and Road Initiative. The initiative attracted considerable attention from the international community and won a positive response from the countries involved. It integrates the historical symbolism of ancient silk routes with the new requirements of today. The initiative is a Chinese program whose goal is to maintain an open world economic system, achieve diversified, independent, balanced and sustainable development, and also a Chinese proposal intended to advance regional cooperation, strengthen communications between civilizations, and safeguard world peace and stability. It showcases the fact that China, as the largest developing country and the world’s second largest economy, shoulders its responsibility in promoting international economic development toward a fair, just and rational system.

On the eve of the Belt and Road Forum for International Cooperation, China, as the initiator, published *Building the Belt and Road: Concept, Practice and China’s Contribution*, hoping to increase understanding of the initiative in the international community, present its fruits, and promote strategic mutual trust, dialogue and cooperation among countries. China will make new, greater contribution to build a community of common destiny for mankind.

Building the Belt and Road:
Concept, Practice and
China’s Contribution

Office of the Leading Group for
the Belt and Road Initiative

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